

36th Washington Conference on the Americas

PRESIDENT VAZQUEZ OF URUGUAY AND SECRETARY OF STATE RICE OPEN CONFERENCE MAY 3 AT THE U.S. DEPARTMENT OF STATE

Opening Reception at Inter-American Development Bank

On May 2 the Council of the Americas welcomed conference attendees and special invited guests to a reception at the Inter-American Development Bank hosted by President Luis Alberto Moreno.



IDB President Luis Alberto Moreno

Corporate Sponsors

Secretary of State Condoleezza Rice Opened the Council's 36th Annual Washington Conference on the Americas

The Secretary highlighted the Council's strong commitment promoting the hemispheric policy and commercial agenda. She stated, "The Council serves as a reminder that we, the men and women of the Americas, are more than just a partnership of governments. We are an alliance of peoples." Here, she welcomes President Vazquez of Uruguay. Joining them are Council Chairman Rhodes and Assistant Secretary Shannon.







Ford Motor Company







Colombian Foreign Minister Barco and Council President Segal



Shawn Gallagher of AIG and Ambassador Zhou Wenzhong of China

May 2006



SECRETARY RICE DEFENDS U.S. POLICY IN THE WESTERN HEMISPHERE

Democracy is one of the fundamental pillars for bringing hope and allowing people to choose their destinies. As stated in the Inter-American Democratic Charter, and mentioned by Secretary Rice at the conference, "Democracy is essential for social, political and economic development of the people of the Americas."

She also said, "President Bush and I believe that we in the Americas have reached a decisive moment in our shared history. And in order to truly understand and capitalize on this opportunity, we need to be clear about a few things. We have to be clear about the hopeful transformation of the Americas. In just a matter of decades, the people of the Americas have thrown juntas and caudillos out of power and they have built democratic governments that reflect their own cultures, their own traditions and their own unique experiences. Under President Bush, the United States is more engaged in the Americas... The President's vision for this hemisphere is rooted in partnership, not in paternalism. The citizens of the Americas are rightfully proud of their democracies and they are ultimately responsible for their own success. The United States has no desire to do things for our democratic partners; we want to do things with our democratic partners...."



Conference Sponsors, Council leadership and the Secretary of State

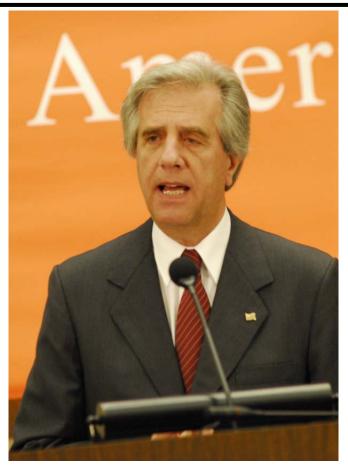


Bill Rhodes welcomes the Secretary of State and Assistant Secretary Shannon

ASSISTANT SECRETARY SHANNON URGES STRONG DEMOCRACIES



The presentation of Assistant Secretary of State for Western Hemisphere Affairs Tom Shannon focused on the inherent linkage between democracy and growth.



SECRETARY DERBEZ OF MEXICO DEFENDS FREE TRADE



Regional integration, whether its goal is reducing barriers to trade or increasing people-to-people interconnectedness, is a key variable to bringing prosperity and hope to the hemisphere. Secretary Derbez argued for a hemispheric free trade area as necessary for the development of the Americas and its ability to compete with the rest of the world. Secretary Derbez emphatically pointed out the merits of an FTAA stating that Latin American integration goes through the United States. Mexico's trade deal with the United States has boosted its trade surplus and increased flexibility, he said.

THE PRESIDENT OF URUGUAY MAKES THE CASE FOR A BILATERAL TRADE AGREEMENT

Washington Conference on the Americas Leading the Policy Debate President Vazquez used the Council of the Americas as a platform to seek a bilateral trade agreement with the United States.



David Rockefeller, Chairman Emeritus of the Council, Greets President Vazquez

FOREIGN MINISTER BARCO ON COLOMBIA'S STRATEGIC ROLE



During her remarks, Minister Barco said, "Recent experience in Colombia has shown that trade in the region reacts very favorably to any effort to lower or remove barriers. We must remember that in 2002 the United States, as part of its shared responsibility in the struggle against the world problem of drugs, broadened the preferences granted to the Andean countries in 1991. These highly positive results of the trade preferences led the governments of Colombia, Ecuador and Peru to negotiate a free trade agreement with the United States. These free trade agreements would extend the list of preferences and provide us with a stable framework to boost investment and better jobs." In addition, Barco stated: "The hemisphere needs to believe more firmly in the power of free trade. I am convinced that free trade will have a huge impact in our countries to strengthen our democratic processes and our fight against poverty."

SHINGTON CONFERENCE ON THE AMERICAS

EMERGING MARKETS GIANTS: BRAZIL AND CHINA

LUNCHEON WITH THE PRESIDENT OF THE CENTRAL BANK OF BRAZIL AND THE CHINESE AMBASSADOR TO THE UNITED STATES

President Meirelles stated that governments have a responsibility to work towards the creation of sound and solvent macroeconomic conditions that further development and bring greater universal prosperity. Without economic policies that create a favorable climate for job creation and entrepreneurship, democracy, integration, and poverty-reducing strategies face an uphill battle in their ability to elevate the hemisphere.

From L to R: Central Bank President Henrique de Campos Meirelles of Brazil and Ambassador Zhou Wenzhong of China



Zhou Wenzhong, the Chinese Ambassador to the United States stated, "Through its years of engagement and investment in the region, the Council of the Americas has acquired a deep understanding of Latin American affairs. Over the years, the members of the Council of the Americas have made huge investments in Latin America and have many success stories. Your experience and assistance will surely be helpful to China in developing economic cooperation with Latin America." In addition, Zhou stated, "Trade between China and Latin America [is] expanding rapidly. China has become the third largest trading partner of Latin America, with remarkable increases of economic interaction and a full expression of mutual complementary. China's trade with Latin America reached 50.4 billion U.S. dollars in 2005." Ambassador Zhou emphasized that his country's rapid trade growth will not cause any severe shocks to Latin America. He mentioned that according to the Inter-American Development Bank, China and Latin America do not share a homogenous export product structure.

CLOSING THE DEVELOPMENT GAP CORPORATE AND GOVERNMENT COOPERATION

Paul Wolfowitz stressed the role of the private sector as an important engine for development. "Over the last 40 years, the Council has not just helped advance the interest of major American businesses. You have also brought together governments, private sector and multilateral organizations to address pressing development issues that effect the whole hemisphere. In fact, the private sector is becoming an increasingly powerful force for development. For every dollar in official development assistance that goes to governments in developing countries, there is now more than \$4 in cross-border private investments form rich to poor countries. Even more important is the role that the private sector plays in creating jobs and promoting growth, and I would emphasize especially the domestic private sector, which I think as you look around the developing world, is the most important single engine of change."



World Bank President Paul Wolfowitz



IBM Americas General Manager Marc Lautenbach provided first-hand examples of a corporation that prioritizes investment in people. In an increasingly globalized, technology-oriented world, companies such as IBM recognize their obligations to bridge the digital divide and help create opportunities for those that otherwise would have been excluded. But, according to Lautenbach, not only does poverty reduction help people, it also makes business sense.

CONGRESSIONAL PANEL

A bipartisan parade of legislators spoke with sponsors and elite level meeting participants on topics ranging from trade, immigration, and investment expansion, to building a broader hemispheric consensus on hemispheric affairs.



Congressman Greg Meeks with Bill Irwin of Chevron and Kathleen McIntyre of Ford



Congressman Jim Moran



Senator Mel Martinez and Chairman Rhodes



Senator Norm Coleman and Eric Farnsworth



OPENING RECEPTION



Luis Alberto Moreno and Susan Segal



Jesse Tyson and Debra King of ExxonMobil Inter-America



Opening Reception at IDB Atrium

WHITE HOUSE BRIEFING

Rod Hunter, Special Assistant to the President and Senior Director for International Trade, Energy and the Environment at the National Security Council, briefed a select group of conference sponsors.

Ali Moshiri of Chevron and Rod Hunter of NSC

PRESENTATION OF CHAIRMAN'S AWARD FOR LEADERSHIP IN THE AMERICAS

The Council of the Americas honored U.S. Congressmen Kevin Brady (R-TX), and James Moran (D-VA) with the 2006 Chairman's Award for Leadership in the Americas. Both Congressmen were honored for their profound commitment to the Western Hemisphere, and their support for the U.S. Dominican Republic - Central America Free Trade Agreement and their proven record of successful leadership in Congress on hemispheric affairs. "Congressmen Brady and Moran played pivotal roles in fostering trade expansion in hemisphere. Their efforts will lead to the expansion of jobs and economic growth. This is a true example of successful bipartisanship," said Eric Farnsworth, Vice President. The Chairman's award is an initiative that the Council of the Americas established in 2004 to recognize and honor democratically elected leaders throughout the Americas who have made a positive impact on hemispheric relations. This is the most prestigious award given by the Council of the Americas.



SECRETARY GIL DIAZ ADDRESSES MEXICO'S ECONOMIC HEALTH



Secretary Francisco Gil Diaz noted the many macroeconomic achievements Mexico has made in the last few years and argued that public finances have been consolidated, the tax regime has become more effective and competitive and inflation has converged to the long-term target set by the Bank of Mexico. Together, these adjustments have contributed to significant reductions in Mexico's risk indicators to the point where they have reached historical lows even during the run up to the July 2 elections. In addition, Gil Diaz called for greater liberalization process in Latin America. He pointed out that several reforms are still necessary in the areas of judicial process, deregulation, education, and other key sectors.

GOVERNOR REDRADO ON ARGENTINA'S GROWTH AGENDA



According to Argentine Central Bank Governor Redrado, fiscal discipline is not a left or right issue, it is just plain "common sense." The region faces numerous risk factors — increased protectionism, high oil prices, and asset inflation — and the key to protecting against the eventual imbalances adjustment is for the region's economies to have developed counter-cyclical policies that cushion the economic landing.



CLOSING RECEPTION U.S. STATE DEPARTMENT DIPLOMATIC RECEPTION ROOM

 $\ \, \textbf{Bill Rhodes and Congressman Kevin Brady} \\$





Diplomatic Reception Room

FINAL AGENDA

"Creating Jobs, Building Hope: The Hemispheric Growth Agenda in a Changing World" 36th Washington Conference on the Americas — May 2-3, 2006

Tuesday, May 2

Inter-American Development Bank

Opening Reception Luis Alberto Moreno

President, Inter-American Development Bank

Wednesday, May 3 U.S. Department of State

"Building the Hemispheric Growth Agenda"

Thomas Shannon

Assistant Secretary of State for Western Hemisphere Affairs

Introduction: Susan Segal

Tabare Vazquez

President of Uruguay

Introduction: David Rockefeller

Condoleezza Rice
Secretary of State

Introduction: William Rhodes

"Financial and Economic Outlook"

Francisco Gil Diaz

Minister of Finance and Public Credit, Mexico

Introduction: Grey Warner, Merck

Martin Redrado

President, Central Bank, Argentina

Introduction: Susan Segal

"Global Trade and Regional Integration"

Henrique de Campos Meirelles *President, Central Bank, Brazil* Introduction: William Rhodes

Zhou Wenzhong

Ambassador, Embassy of the People's Republic of China

Introduction: William Rhodes

"Closing the Development Gap"

Luis Ernesto Derbez

Secretary, Foreign Relations, Mexico Introduction: Steve Biegun, Ford

Paul Wolfowitz

President, The World Bank

Introduction: Richard Waugh, Scotiabank

Marc B. Lautenbach

General Manager, IBM Americas
Introduction: Eric Farnsworth

"The Strategic View"

Carolina Barco

Minister of Foreign Affairs, Colombia Introduction: Juan Cento, FedEx

Closing Reception and Presentation of the Chairman's Award for Leadership in the Americas:

Leudership in the Americus.

Kevin Brady - *Congressman (R-TX)* James P. Moran - *Congressman (D-VA)*

Presentation: William Rhodes

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THE HEMISPHERIC GROWTH AGENDA IN A CHANGING WORLD

36th Washington Conference on the Americas May 2 & 3, 2006